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# NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 7 No. 2
March 1986

# Current Economic Developments in New Mexico

The U.S. economy is flirting with stronger growth as oil prices, interest rates, and the dollar all tumble. Manufacturers will especially benefit from lower oil price inputs and the sliding dollar which will boost exports. Accordingly, Data Resources Inc. (DRI) anticipates exports to rebound, increasing 5.5 percent for 1986, then to takeoff in 1987. Consumers will also benefit from lower energy prices, with more disposable income available to stimulate the goods producing sector. Residential construction, meanwhile, will be stimulated by lower interest rates as the T-Bill rate dips below 7.0 percent during the year. Inflation, too, looks dormant with the Consumer Price Index projected to rise a mild 2.6 percent in 1986, compared to a 3.5 percent increase during 1985. Congress also appears near to passing reductions in the federal deficit, thus able to reach Gramm Rudman's first year target.

Disposable income in January rose 0.2 percent and the savings rate increased to 4.0 percent. Industrial production increased 2.5 percent in January over year ago levels, led by a 5.4 percent advance in consumer goods while the durable goods sector softened. Housing starts jumped 15.7 percent during January to 2.09 million units, the highest level in two years.

The economy, though, has its feeble sectors with slower nonresidential construction, negative corporate profits, and weaker government spending, that will be particularly evident in military outlays and in state and local government spending. The gain in real gross national product during the second half of 1985 was a mild 2.1 percent. In summary, the national forecast shows that the credit and energy sensitive sectors will benefit most from plummeting oil prices, deficit reduction, and a diving dollar. Despite their high debt burden, consumers, as a result of higher disposable income, will add impetus for somewhat stronger real economic growth in 1986, now projected by DRI at 2.6 percent.

The national economic scene presents a mixed, mostly negative picture for New Mexico. Hard hit by the plunge in oil prices (and revenue), the state's large government sector will be restrained from contributing to growth. The government sector and dependent industries are projected to be weak this year. With Congress expected to reduce the deficit, federal spending will dampen, and state and local government in New Mexico will tighten spending as a result of reduced federal aid to communities and lower energy related revenues. Yet a rebounding manufacturing sector later in the year and an interest rate driven single family housing market will allow for some upbeat activity in the state.

Nonagricultural employment in New Mexico grew by 14,300 jobs in January, relative to year ago figures—a 2.9 percent increase. But the state's unemployment rate climbed from 8.7 percent in December to 9.2 percent in January. Personal income in the state increased 4.7 percent during the third quarter of 1985 compared to a year ago. New Mexico, along with its oil producing neighbors, will reel from the effects of plunging oil prices.

New Mexico's mining sector has been the most volatile and will continue to follow this trend. Employment in January fell 9.1 percent from a year ago to 19,800 workers in the depressed sector, and more layoffs are on the horizon. Molycorp, for instance, laid off 500 workers at its Questa molybdenum mine in late February.

The southeastern part of the state also was jolted by 50 layoffs at Amax Chemical and 65 layoffs at N-Ren Southwest, an anhydrous ammonia plant near Carlsbad. Lundberg Industries (also near Carlsbad), however, reopened its potash operation early in March but will require a smaller workforce than previously worked at the site when it was operated by Potash Company of America. In the Farmington area, San Juan Coal will open the La Plata mine that is eventually expected to employ 150. Contrary to much of the energy scene, oil and coal production increased in January over December. Both gas and oil well completions registered whopping increases in January as drillers raced to put the product onto the market. This activity occurred before the full effect of the oil price crash was felt.

Manufacturing employment in New Mexico fell by 600 jobs in January from last month and increased just 1.4 percent compared to a year ago. Transportation and textile industries registered a decrease in jobs during January; nevertheless transportation equipment employment gained 17.2 percent over year ago levels. Transportation Manufacturing Corporation, citing a lull in bus demand, temporarily furloughed 450 workers at its Roswell plant, but expects to rehire the workers in April. In Albuquerque, Gulton Industries announced it would hire 70 people as a result of a large contract with Martin Marietta. Again, because of favorable conditions appearing for manufacturing nationwide, Albuquerque's electronics industry ought to turn around later in the year as the dollar declines, energy prices drop, and interest rates fall—a boon for future capital spending.

Employment in construction also fell in January by 1,000 jobs. Compared to a year ago, the sector increased 0.9 percent.

(Continued on page 8)

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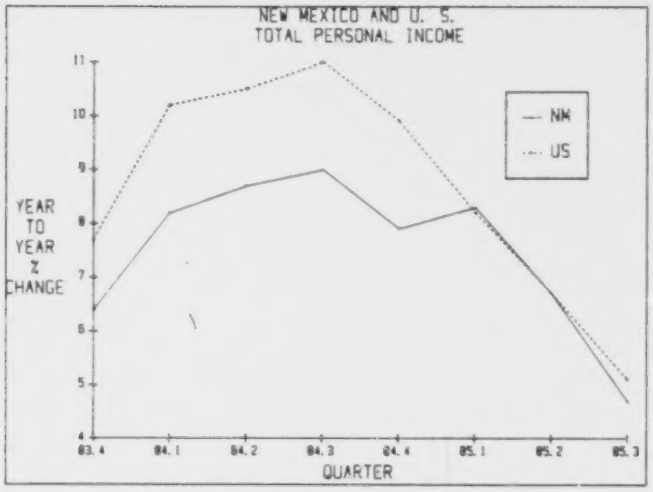
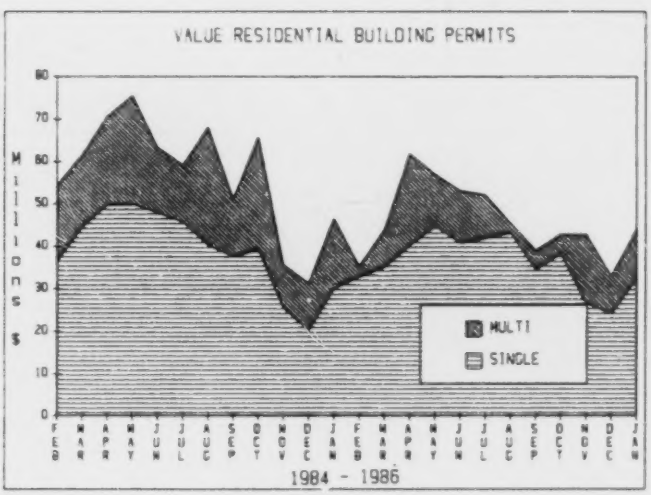
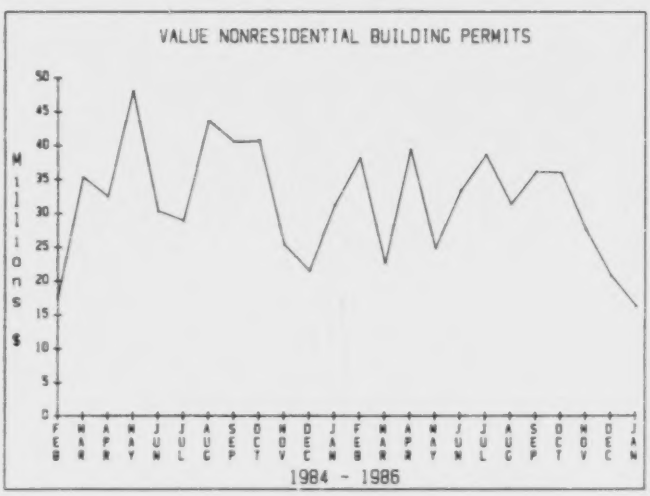
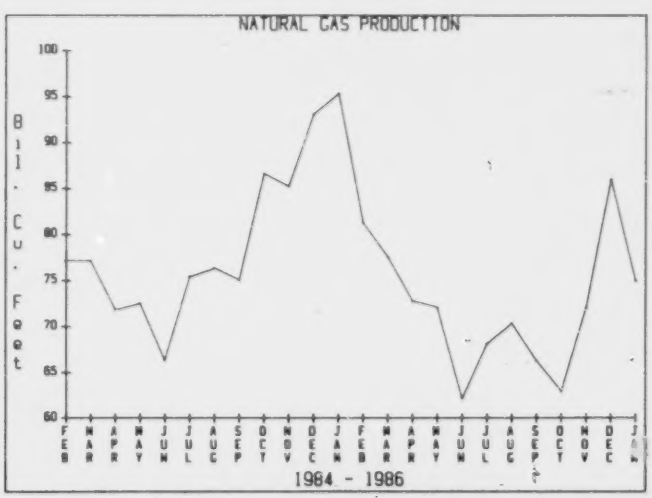
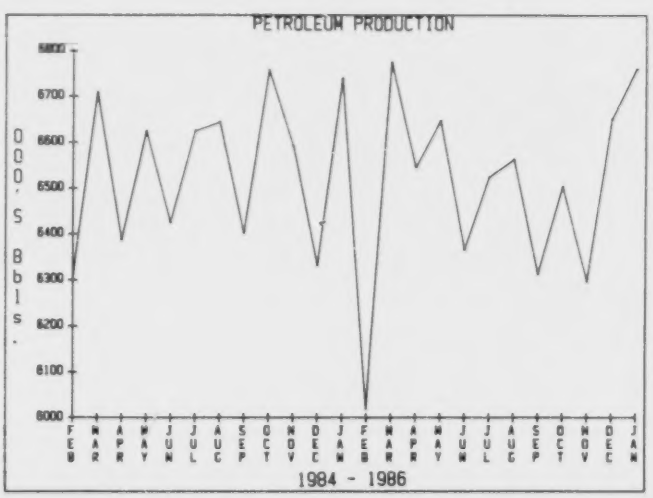
# ECONOMIC TRENDS IN NEW MEXICO





# U.S. ECONOMIC INDICATORS

| | CURRENT MO/QTR | DATA | % CHANGE YEAR AGO | PREVIOUS MO/ QTR DATA |
|---|---|---|---|---|
| Consumer price index | | | | |
| All urban consumers (1967=100) | | | | |
| All items | Jan 86 | 328.4 | 3.9 | 327.4 |
| Food and beverages | Jan 86 | 307.9 | 2.9 | 305.6 |
| Housing | Jan 86 | 356.8 | 4.3 | 355.8 |
| Apparel and upkeep | Jan 86 | 205.0 | 2.6 | 209.0 |
| Transportation | Jan 86 | 323.9 | 2.9 | 324.0 |
| Medical care | Jan 86 | 418.2 | 6.9 | 414.7 |
| Entertainment | Jan 86 | 270.8 | 3.8 | 268.3 |
| Other goods and services | Jan 86 | 339.1 | 6.3 | 336.5 |
| Revised series, wage earners and clerical workers (1967=100) | | | | |
| All items | Jan 86 | 324.3 | 3.7 | 323.4 |
| Gross national product* ($Bil. constant) | IV 85 | 3605.0 | 2.6 | 3584.1 |
| Prime interest rate** (% per annum) | Jan 86 | 9.5 | -9.5 | 9.5 |
| Mortgage interest rate*** (% per annum) | Jan 86 | 10.9 | -11.4 | 10.9 |
| 3 month treasury bill# (% per annum) | Jan 86 | 7.0 | -9.2 | 7.1 |
| Industrial production## (1977=100) | Dec 85 | 126.0 | 2.2 | 125.1 |
| Manufacturers new orders## ($Bil.) | Dec 85 | 202.1 | 4.4 | 196.9 |

# NEW MEXICO AND U.S. COMPARISONS

| | | NEW MEXICO | | | UNITED STATES | | |
|---|---|---|---|---|---|---|---|
| | CURRENT MO/QTR | CURRENT MO/QTR DATA | % CHANGE YEAR AGO | PREVIOUS MO/QTR DATA | CURRENT MO/QTR DATA | % CHANGE YEAR AGO | PREVIOUS MO/QTR DATA |
| Employment (000) | Jan 86 | 590.0 | 2.7 | 595.9 | 106,959 | 2.6 | 108,063 |
| Unemployment rate (%) | Jan 86 | 9.2 | 3.4 | 8.7 | 7.3 | -8.7 | 6.7 |
| Nonagricultural employment (000) | Jan 86 | 519.2 | 2.9 | 526.9 | 98,046 | 3.2 | 99,729 |
| Personal income### ($Mil.) | III 85 | 15,543 | 4.7 | 15,456 | 3,211,584 | 5.1 | 3,190,683 |
| Housing units permitted | | | | | | | |
| Single | Jan 86 | 525 | 8.3 | 374 | 65,306 | 19.8 | 59,152 |
| Multi | Jan 86 | 683 | 18.2 | 336 | 53,190 | 7.4 | 68,427 |

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Note: Selected data items subject to revision.
N Not available.
* 1982 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
## Monthly data seasonally adjusted.
### Quarterly data seasonally adjusted at annual rates.
Sources: U. S. Department of Labor, News: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

# NEW MEXICO ECONOMIC INDICATORS

| | CURRENT MO/QTR | CURRENT DATA | % CHANGE YEAR AGO | PREVIOUS MO/QTR DATA | % CHANGE# 12 MONTH AVERAGES |
|---|---|---|---|---|---|
| 1. GENERAL | | | | | |
| Civilian labor force* (000) | Jan 86 | 649.5 | 3.0 | 652.6 | 2.7 |
| Total employment* (000) | Jan 86 | 590.0 | 2.7 | 595.9 | 1.2 |
| Unemployment* (000) | Jan 86 | 59.5 | 6.3 | 56.7 | 20.9 |
| Unemployment rate (%) | Jan 86 | 9.2 | 3.4 | 8.7 | 18.7 |
| Weekly new unemployment insurance claims | Jan 86 | 2134.0 | 12.6 | 1591.0 | -2.1 |
| Nonagricultural wage/salary employment**(000) | Jan 86 | 519.2 | 2.9 | 526.9 | 3.0 |
| New business incorporations | Dec 85 | 233.0 | -4.8 | 264.0 | -1.2 |
| Personal income*** ($ mil.) | III 85 | 15543.0 | 4.7 | 15456.0 | 6.9 |
| 2. AGRICULTURAL RECEIPTS | | | | | |
| Livestock and products ($ mil.) | Nov 85 | 105.0 | 0.4 | 72.9 | 4.1 |
| Crops ($ mil.) | Nov 85 | 52.0 | -2.2 | 32.2 | 14.8 |
| Total ($ mil.) | Nov 85 | 157.0 | -0.5 | 105.1 | 7.6 |
| 3. MINING | | | | | |
| Employment** (000) | Jan 86 | 19.8 | -9.1 | 20.0 | -5.0 |
| Average hourly earnings ($) | Jan 86 | 12.90 | 8.5 | 12.20 | 4.4 |
| Petroleum production (000 bbls.) | Jan 86 | 6759.8 | 0.4 | 6650.8 | -0.7 |
| Natural gas production (bil. cu. ft.) | Jan 86 | 74.9 | -21.4 | 86.0 | -8.9 |
| Coal production (000 short tons) | Jan 86 | 1648.0 | -21.8 | 1603.0 | -7.2 |
| Oil well completions& | Jan 86 | 147.0 | 56.4 | 61.0 | 8.9 |
| Gas well completions& | Jan 86 | 73.0 | 128.2 | 30.0 | 55.1 |
| Total footage drilled&& (000) | Jan 86 | 1395.5 | 74.9 | 600.1 | 19.7 |
| Oil sales ($ mil.) | Nov 85 | 162.5 | -5.3 | 174.4 | -10.5 |
| Gas sales ($ mil.) | Nov 85 | 178.1 | -19.0 | 152.6 | -5.2 |
| 4. CONSTRUCTION | | | | | |
| Employment** (000) | Jan 86 | 34.6 | 0.9 | 35.6 | 1.0 |
| Average hourly earnings ($) | Jan 86 | 11.00 | 5.8 | 11.30 | 2.9 |
| Residential units permitted | Jan 86 | 1208.0 | 13.7 | 710.0 | -26.5 |
| Residential building permits ($ mil.) | Jan 86 | 44.1 | -5.1 | 33.0 | -19.4 |
| Nonresidential building permits ($ mil.) | Jan 86 | 16.2 | -48.0 | 20.7 | -7.6 |
| Residential construction contracts ($ mil.) | Jan 86 | 42.1 | -34.0 | 50.8 | 2.0 |
| Nonresidential construction contracts ($mil.) | Jan 86 | 54.2 | 38.3 | 29.6 | -18.4 |
| Nonbuilding construction contracts ($ mil.) | Jan 86 | 11.4 | -39.0 | 25.3 | 1.0 |
| 5. TRANSPORTATION/COMMUNICATION/UTILITIES | | | | | |
| Employment** (000) | Jan 86 | 29.3 | -1.6 | 29.9 | -0.5 |
| Average hourly earnings## ($) | Jan 86 | 10.60 | -1.8 | 11.30 | 5.8 |
| 6. MANUFACTURING | | | | | |
| Employment** (000) | Jan 86 | 36.9 | 1.4 | 37.5 | 1.9 |
| Average hourly earnings ($) | Jan 86 | 8.80 | 4.8 | 8.70 | 6.3 |
| Electric & electronic equipment employment** (000) | Jan 86 | 6.6 | -1.4 | 6.5 | 2.0 |
| Transportation equipment employment** (000) | Jan 86 | 4.1 | 17.2 | 4.3 | 17.2 |
| Food & kindred products employment** (000) | Jan 86 | 4.0 | 0.0 | 4.1 | 2.5 |
| Textile & apparel employment** (000) | Jan 86 | 2.2 | -8.3 | 2.4 | -4.0 |
| Lumber & wood products employment** (000) | Jan 86 | 2.6 | 4.0 | 2.6 | -3.8 |

# NEW MEXICO ECONOMIC INDICATORS (continued)

| | CURRENT MO/QTR | CURRENT DATA | % CHANGE YEAR AGO | PREVIOUS MO/QTR DATA | % CHANGE# 12 MONTH AVERAGES |
|---|---|---|---|---|---|
| 7. TRADE | | | | | |
| Wholesale employment** (000) | Jan 86 | 22.9 | 1.4 | 23.1 | 2.7 |
| Retail employment** (000) | Jan 86 | 102.3 | 7.7 | 106.6 | 5.2 |
| Average hourly earnings ($) | Jan 86 | 7.00 | 4.5 | 6.70 | 1.6 |
| 8. FINANCE/INSURANCE/REAL ESTATE | | | | | |
| Employment** (000) | Jan 86 | 25.9 | 3.6 | 25.6 | 3.2 |
| Bank average hourly earnings ($) | Jan 86 | 5.80 | 5.5 | 5.80 | 3.8 |
| Bank total assets ($ mil.) | II 85 | 9181.8 | 6.2 | 8935.8 | 5.4 |
| Bank total deposits ($mil.) | II 85 | 7955.6 | 7.9 | 7782.7 | 5.9 |
| Bank gross loans ($ mil.) | II 85 | 5466.4 | 9.4 | 5370.6 | 12.2 |
| S & L total assets ($ mil.) | Dec 85 | 4999.1 | 14.6 | 4792.5 | 14.8 |
| S & L total deposits ($ mil.) | Dec 85 | 4136.4 | 16.4 | 4063.5 | 18.2 |
| S & L new mortgage loans closed&&& ($ mil.) | Dec 85 | 116.0 | -47.6 | 101.5 | 4.7 |
| 9. SERVICES AND TOURISM | | | | | |
| Total service employment** (000) | Jan 86 | 113.8 | 5.0 | 114.2 | 6.3 |
| Lodging employment** (000) | Jan 86 | 11.0 | 7.9 | 11.4 | 5.7 |
| Eating & drinking places employment** (000) | Jan 86 | 34.7 | 5.5 | 35.9 | 4.8 |
| Visits to state parks (000) | Dec 85 | 173.7 | 12.7 | 273.1 | 5.4 |
| Visits to national parks/monuments (000) | Jan 86 | 73.8 | 61.9 | 75.5 | 1.6 |
| Passenger traffic at Albuquerque airport@ (000) | Jan 86 | 285.6 | 5.5 | 336.5 | 10.7 |
| Lodgers tax receipts ($ 000) | III 85 | 1995.1 | N | 0.0 | N |
| Lodging occupancy rates (%) | Jan 86 | 44.8 | -20.2 | 41.7 | -4.7 |
| 10. GOVERNMENT | | | | | |
| Total government employment** (000) | Jan 86 | 133.7 | 1.6 | 134.4 | 1.8 |
| Federal employment** (000) | Jan 86 | 28.7 | -3.3 | 28.7 | -0.6 |
| State employment** @@ (000) | Jan 86 | 47.5 | 4.4 | 48.1 | 3.9 |
| Local employment** (000) | Jan 86 | 57.5 | 2.0 | 57.6 | 1.3 |
| Total general fund revenues@@@ ($ mil.) | Dec 85 | 106.1 | 4.5 | 93.9 | -1.5 |

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N Not available.
Note: selected data items subject to revision.
* Number of persons by place of residence.
** Number of jobs by place of work.
*** Quarterly data seasonally adjusted at annual rates.
& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.
&& Oil and gas combined.
&&& New mortgage loans closed equals the previously carried item "total loans closed" plus a relatively insignificant additional loan category.
# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.
## Communications and utilities only.
@ Passenger traffic includes enplanements and deplanements.
@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.
@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, Kerr and Forster: Section 9;
New Mexico Dept of Finance and Administration: Section 10.

# CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

| | CURRENT 3 MONTH AVERAGE* NOV-JAN | % CHANGE AVERAGE YEAR AGO | PREVIOUS 3 MONTH AVERAGE* AUG-OCT |
|---|---|---|---|
| Alamogordo | $ 15,102 | 7.3 | $ 13,884 |
| Albuquerque | 254,617 | 16.0 | 227,081 |
| Artesia | 6,712 | 13.6 | 5,938 |
| Carlsbad | 14,758 | 13.1 | 13,031 |
| Clovis | 17,897 | 10.2 | 14,998 |
| Deming | 4,775 | 7.3 | 4,483 |
| Espanola | 7,805 | 12.8 | 7,301 |
| Farmington | 34,433 | 11.3 | 29,138 |
| Gallup | 23,113 | 10.2 | 20,708 |
| Hobbs | 22,161 | -6.2 | 21,209 |
| Las Cruces | 36,566 | 3.4 | 32,150 |
| Las Vegas | 6,288 | 9.7 | 5,952 |
| Los Alamos | 6,402 | 12.8 | 6,227 |
| Lovington | 4,526 | -24.9 | 4,523 |
| Portales | 6,016 | -8.3 | 6,271 |
| Roswell | 20,535 | 1.5 | 18,213 |
| Ruidoso | 5,517 | 8.3 | 6,978 |
| Santa Fe | 50,086 | 17.1 | 47,718 |
| Silver City | 8,599 | 22.0 | 7,940 |
| Taos | 7,324 | 16.9 | 7,861 |
| State total | 685,799 | 9.8 | 635,099 |

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\# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.
* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

| | NUMBER OF BUILDING UNITS OR PERMITS * | | | | VALUE OF BUILDING PERMITS ($000) | | | |
|---|---|---|---|---|---|---|---|---|
| | JAN. 1986 | JAN. 1985 | CUMULATIVE TOTAL THROUGH JAN. 1986 | CUMULATIVE TOTAL THROUGH JAN. 1985 | JAN. 1986 | JAN. 1985 | CUMULATIVE TOTAL THROUGH JAN. 1986 | CUMULATIVE TOTAL THROUGH JAN. 1985 |
| RESIDENTIAL | | | | | | | | |
| Alamogordo | 20 | 20 | 20 | 20 | $ 995 | $ 867 | $ 995 | $ 867 |
| Albuquerque | 772 | 590 | 772 | 590 | 20,873 | 23,263 | 20,873 | 23,263 |
| Carlsbad | 4 | 2 | 4 | 2 | 195 | 180 | 195 | 180 |
| Clovis | 6 | 10 | 6 | 10 | 351 | 388 | 351 | 388 |
| Farmington | 11 | 19 | 11 | 19 | 420 | 617 | 420 | 617 |
| Hobbs | 1 | 3 | 1 | 3 | 102 | 195 | 102 | 195 |
| Las Cruces | 44 | 68 | 44 | 68 | 2,487 | 2,899 | 2,487 | 2,899 |
| Los Alamos | 0 | 4 | 0 | 4 | 0 | 330 | 0 | 330 |
| Rio Rancho** | 76 | 92 | 76 | 92 | 4,222 | 5,050 | 4,222 | 5,050 |
| Roswell | 8 | 9 | 8 | 9 | 215 | 494 | 215 | 494 |
| Ruidoso | 76 | 12 | 76 | 12 | 2,713 | 974 | 2,713 | 974 |
| Santa Fe | 20 | 77 | 20 | 77 | 1,184 | 3,524 | 1,184 | 3,524 |
| NONRESIDENTIAL | | | | | | | | |
| Alamogordo | 6 | 9 | 6 | 9 | 32 | 264 | 32 | 264 |
| Albuquerque | 6 | 41 | 6 | 41 | 6,826 | 11,871 | 6,826 | 11,871 |
| Carlsbad | 6 | 7 | 6 | 7 | 44 | 14 | 44 | 14 |
| Clovis | 6 | 2 | 6 | 2 | 305 | 1,638 | 305 | 1,638 |
| Farmington | 1 | 3 | 1 | 3 | 60 | 215 | 60 | 215 |
| Hobbs | 6 | 1 | 6 | 1 | 716 | 74 | 716 | 74 |
| Las Cruces | 14 | 18 | 14 | 18 | 1,661 | 1,831 | 1,661 | 1,831 |
| Los Alamos | 1 | 3 | 1 | 3 | 0 | 5 | 0 | 5 |
| Rio Rancho** | 1 | 1 | 1 | 1 | 190 | 220 | 190 | 220 |
| Roswell | 9 | 7 | 9 | 7 | 47 | 52 | 47 | 52 |
| Ruidoso | 0 | 4 | 0 | 4 | 0 | 311 | 0 | 311 |
| Santa Fe | 0 | 8 | 0 | 8 | 0 | 1,313 | 0 | 1,313 |

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Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.
* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.
** AMREP reported data.

Sources: AMREP, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

# CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

| | NEW MEXICO | | | ALBUQUERQUE MSA* | | | LAS CRUCES MSA** | | | SANTA FE MSA# | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | JAN. p | % CHANGE YEAR AGO | DEC. r | JAN. p | % CHANGE YEAR AGO | DEC. r | JAN. p | % CHANGE YEAR AGO | DEC. r | JAN. p | % CHANGE YEAR AGO | DEC. r |
| TOTAL CIVILIAN LABOR FORCE | 649.5 | 3.0 | 652.6 | 245.6 | 3.6 | 245.8 | 51.5 | 6.2 | 51.4 | 60.7 | 6.7 | 60.5 |
| Employment*** | 590.0 | 2.7 | 595.9 | 229.5 | 3.6 | 229.9 | 47.5 | 6.8 | 47.5 | 57.1 | 6.4 | 57.4 |
| Unemployment | 59.5 | 6.3 | 56.7 | 16.1 | 3.9 | 15.9 | 4.0 | 2.6 | 3.8 | 3.6 | 12.5 | 3.1 |
| Unemployment rate (%) | 9.2 | 3.4 | 8.7 | 6.6 | 0.0 | 6.5 | 7.7 | -4.9 | 7.5 | 5.9 | 5.4 | 5.1 |
| NONAGRICULTURAL WAGE & SALARY EMPLOYMENT | 519.2 | 2.9 | 526.9 | 221.4 | 3.5 | 224.6 | 38.0 | 5.6 | 38.2 | 50.5 | 5.5 | 51.0 |
| Mining | 19.8 | -9.1 | 20.0 | 0.3 | 50.0 | 0.3 | N | N | N | 0.2 | 0.0 | 0.2 |
| Contract construction | 34.6 | 0.9 | 35.6 | 17.8 | 9.3 | 18.4 | 2.5 | 4.2 | 2.5 | 3.0 | -6.2 | 3.4 |
| Manufacturing | 36.[illegible] | 1.4 | 37.5 | 19.2 | 2.2 | 19.3 | 2.9 | -12.1 | 3.0 | 1.6 | 6.7 | 1.6 |
| Durable goods | [illegible] | 2.6 | 24.4 | 13.7 | 1.5 | 13.7 | 1.2 | 0.0 | 1.2 | 0.9 | 0.0 | 0.9 |
| Nondurable goods | 12.7 | -0.7 | 13.1 | 5.5 | 3.8 | 5.6 | 1.7 | -19.0 | 1.8 | 0.7 | 16.7 | 0.7 |
| Transportation & public utilities | 29.3 | -1.6 | 29.9 | 12.0 | -0.8 | 12.4 | 1.4 | 0.0 | 1.4 | 1.1 | 0.0 | 1.2 |
| Trade | 125.2 | 6.5 | 129.7 | 56.9 | 4.6 | 58.7 | 8.0 | 11.2 | 8.3 | 9.6 | 14.3 | 10.0 |
| Wholesale | 22.9 | 1.4 | 23.1 | 14.1 | 0.8 | 14.2 | 0.9 | 12.5 | 0.9 | 0.7 | 16.7 | 0.7 |
| Retail | 102.3 | 7.7 | 106.6 | 42.8 | 6.0 | 44.5 | 7.2 | 12.5 | 7.4 | 8.9 | 14.2 | 9.3 |
| Finance, insurance, & real estate | 25.9 | 3.6 | 25.6 | 13.4 | 3.9 | 13.5 | 1.5 | 14.3 | 1.5 | 2.0 | 5.3 | 2.0 |
| Services | 113.8 | 5.0 | 114.2 | 57.9 | 4.6 | 58.1 | 5.6 | 12.0 | 5.5 | 12.1 | 0.0 | 12.3 |
| Government | 133.7 | 1.6 | 134.4 | 43.9 | 0.0 | 43.9 | 16.1 | 6.0 | 16.0 | 21.0 | 6.6 | 20.4 |
| Federal | 28.7 | -3.3 | 28.7 | 12.3 | -0.8 | 12.2 | 4.7 | 2.2 | 4.7 | 1.5 | -6.2 | 1.5 |
| State | 47.5 | 4.4 | 48.1 | 13.0 | 1.6 | 13.0 | 6.3 | 6.8 | 6.2 | 15.8 | 7.5 | 15.2 |
| Local | 57.5 | 2.0 | 57.6 | 18.6 | -0.5 | 18.7 | 5.1 | 8.6 | 5.1 | 3.7 | 8.9 | 3.7 |

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

Source: New Mexico Employment Security Department.

* Bernalillo County.
** Dona Ana County.
*** Includes labor disputes.
\# Santa Fe and Los Alamos County.

NUMBER OF BUSINESS ESTABLISHMENTS BY COUNTY*

| | 1984 | % Change Year Ago | 1983 | | 1984 | % Change Year Ago | 1983 |
|---|---|---|---|---|---|---|---|
| Bernalillo | 12,003 | 3.7 | 11,575 | McKinley | 893 | 1.9 | 876 |
| Catron | 36 | 5.9 | 34 | Mora | 39 | 5.4 | 37 |
| Chaves | 1,556 | 3.6 | 1,502 | Otero | 910 | 5.7 | 861 |
| Cibola | 362 | -1.6 | 368 | Quay | 296 | 3.9 | 285 |
| Colfax | 493 | 3.1 | 478 | Rio Arriba | 451 | 3.0 | 438 |
| Curry | 1,037 | 3.9 | 998 | Roosevelt | 337 | 4.0 | 324 |
| De Baca | 69 | -9.2 | 76 | Sandoval | 556 | 22.5 | 454 |
| Dona Ana | 2,094 | 4.9 | 1,996 | San Juan | 1,926 | 0.8 | 1,911 |
| Eddy | 1,413 | 1.3 | 1,395 | San Miguel | 387 | 3.8 | 373 |
| Grant | 543 | 3.2 | 526 | Santa Fe | 2,818 | 7.5 | 2,622 |
| Guadalupe | 112 | -0.9 | 113 | Sierra | 206 | -2.8 | 212 |
| Harding | 24 | 0.0 | 24 | Socorro | 241 | 6.6 | 226 |
| Hidalgo | 106 | 3.9 | 102 | Taos | 679 | 1.8 | 667 |
| Lea | 1,828 | -0.1 | 1,829 | Torrance | 146 | 19.7 | 122 |
| Lincoln | 574 | 6.3 | 540 | Union | 151 | 9.4 | 138 |
| Los Alamos | 373 | 7.5 | 347 | Valencia | 567 | 13.4 | 500 |
| Luna | 324 | -1.8 | 330 | Unallocated County | 139 | -6.7 | 149 |
| | | | | Total N.M. | 33,689 | 3.9 | 32,428 |

*Excludes government, railroad employees, and self employed. Establishments are defined as a physical location.
Source: U.S. Department of Commerce, Bureau of the Census, County Business Patterns.

# Economic Developments . . .

*Continued from page 1*

Indicative of future sector activity, the value of building permits dropped 19.4 percent for residential and 7.6 percent for nonresidential construction over the last two twelve month averages.

Employment in retail trade declined by 4,300 jobs, mostly due to seasonal layoffs following the holidays. A shakeout is predicted in Albuquerque's competitive retail sector since its rapid growth has been out of proportion to the economy's overall rate of growth. In the financial, real estate, and insurance sector, savings and loan institutions displayed strong growth in assets and deposits over the last year. Meanwhile, within the tourism related sector, employment declined among lodging and eating and drinking places in January compared to December. Passenger traffic at Albuquerque International Airport was brisk, showing a 10.7 percent increase over the last two twelve month averages. However, employment prospects in the Transportation, Communications, and Public Utilities sector will face cutbacks as PNM implements a hiring freeze and with Mountain Bell's layoff of 50 employees in Albuquerque.

Employment growth was slight in New Mexico's government sector, increasing only 1.6 percent over a year ago. Within the sector, federal employment decreased 3.3 percent, but state employment spurted 4.4 percent, and local government jobs rose a mild 2.0 percent during the same period. Both of New Mexico's national laboratories recently were awarded federal contracts. Los Alamos National Laboratories received a potential $52.6 million contract to develop fusion power for commercial applications. Also at Los Alamos, Pan American World Services will replace the Zia Company as provider of services. The second large contract was awarded by the Pentagon to White Sands Missile Range which was selected for a Strategic Defense Initiative project. The linear accelerator will cost close to $1 billion to construct and have a $125 million operating budget. All told, New Mexico's government sector this year will be hamstrung by looming federal budget cuts that will likely slow defense outlays, by less direct federal aid to local governments, and by lower energy related state revenue.

*Richard Zimmerman*
*Economist*

## COUNTY PROFILES NOW AVAILABLE

The Bureau of Business and Economic Research has tabulated two-page county profiles for each of New Mexico's 33 counties. Information has been updated through 1984, where possible. They contain figures on land area, climate, population (age, race, totals and projections), education, income, poverty, housing, employment, gross receipts, construction, agriculture, mining, finance and tourism. Each profile costs $.50 plus $3.00 postage and handling for mail out requests. For more information call the Data Bank at 277-6626.

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